

**City of Rockville**  
**Cash and Investment Portfolio Summary**  
**January 31, 2008**

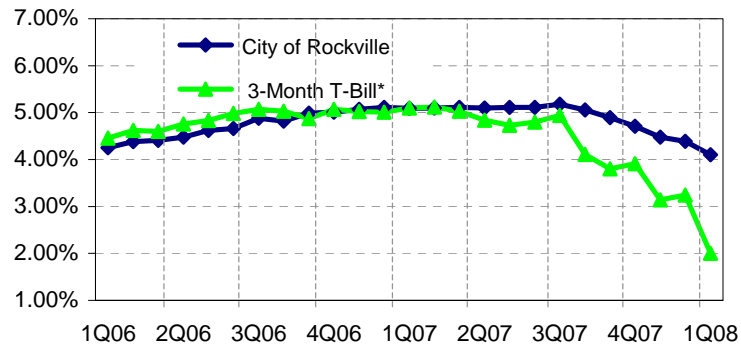
|                                      | Market Value<br>1/31/2008 | Market Value<br>12/31/2007 | Monthly<br>Change |
|--------------------------------------|---------------------------|----------------------------|-------------------|
| Money Market Funds                   | 64,846,639                | 56,996,718                 | 7,849,921         |
| Federal Agency Discount Notes        | 19,403,505                | 25,251,855                 | (5,848,350)       |
| Federal Agency Notes *               | 6,022,500                 | 5,979,360                  | 43,140            |
| Deposits with Financial Institutions | 294,227                   | 285,851                    | 8,376             |
| <b>TOTAL:</b>                        | <b>90,566,871</b>         | <b>88,513,784</b>          | <b>2,053,087</b>  |

\* An increase/decrease in Federal Agency Notes represents an unrealized gain/loss to the portfolio or a security maturity or purchase. The gain/loss is unrealized because all securities in the portfolio are held to maturity as stated in Section XVIII of the City's Investment Policy.

**Investment Activity**

No securities were purchased during the month of January. Only one security, \$6.0 million in FHLMC discount notes, matured in January and the next maturity in the City's portfolio is \$8.0 million scheduled for March 2008.

**Investment Performance**



| Calendar Quarters | City of Rockville | 3-Month T-Bill* | Difference |
|-------------------|-------------------|-----------------|------------|
| 1Q06              | 4.35%             | 4.56%           | (0.21%)    |
| 2Q06              | 4.59%             | 4.86%           | (0.27%)    |
| 3Q06              | 4.90%             | 4.99%           | (0.09%)    |
| 4Q06              | 5.06%             | 5.03%           | 0.03%      |
| 1Q07              | 5.10%             | 5.08%           | 0.02%      |
| 2Q07              | 5.11%             | 4.79%           | 0.32%      |
| 3Q07              | 5.04%             | 4.28%           | 0.76%      |
| 4Q07              | 4.53%             | 3.43%           | 1.10%      |
| Jan-08            | 4.10%             | 2.00%           | 2.10%      |

\* Source: Morgan Keegan Daily Market Update

**Report Certification**

I certify the accuracy of the attached report on the City of Rockville's Cash and Investment Portfolio Summary. All funds for which the City has oversight are reflected in this report. The City's Investment Program is consistent with the Statement of Investment Policy and provides sufficient liquidity to meet the next six (6) months expenditure requirements. The source of the market values of investments is SunTrust Bank.

Gavin Cohen, Finance Director

**City of Rockville**  
**Investment Portfolio Details**  
**January 31, 2008**

**Money Market Funds**

| Broker/<br>Dealer | CUSIP     | Security            | Coupon | Par        | Call<br>Date | Maturity<br>Date | Trade<br>Date | Settlement<br>Date | Purchase<br>Value | Yield to<br>Maturity | Purchase<br>Price | Monthly<br>Interest | Market Value<br>on 1/31/08 |
|-------------------|-----------|---------------------|--------|------------|--------------|------------------|---------------|--------------------|-------------------|----------------------|-------------------|---------------------|----------------------------|
| -                 | 784767808 | STI Classic MM      | -      | 58,307,639 | -            | -                | -             | -                  | -                 | 3.92%                | 58,307,639        | 179,096             | 58,307,639                 |
| -                 | 784767808 | STI Classic (Sweep) | -      | 6,539,000  | -            | -                | -             | -                  | -                 | 3.92%                | 6,539,000         | 17,688              | 6,539,000                  |
|                   |           |                     |        | 64,846,639 |              |                  |               |                    |                   |                      | 64,846,639        | 196,784             | <b>64,846,639</b>          |

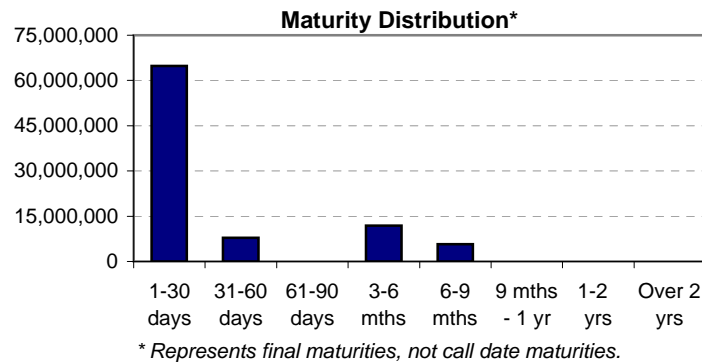
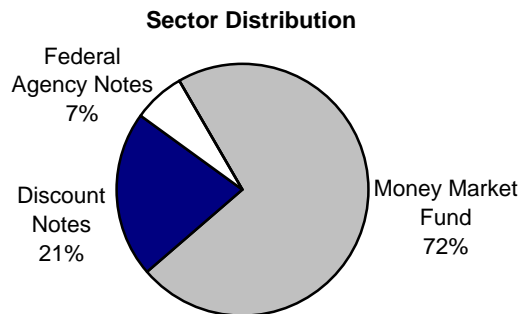
**Federal Agency Discount Notes**

| Broker/<br>Dealer | CUSIP     | Security | Coupon | Par        | Call<br>Date | Maturity<br>Date | Trade<br>Date | Settlement<br>Date | Purchase<br>Value | Yield to<br>Maturity | Purchase<br>Price | Monthly<br>Interest | Market Value<br>on 1/31/08 |
|-------------------|-----------|----------|--------|------------|--------------|------------------|---------------|--------------------|-------------------|----------------------|-------------------|---------------------|----------------------------|
| MK                | 313384UW7 | FHLB     | -      | 8,000,000  | -            | 03/28/08         | 09/24/07      | 09/25/07           | 97.72347%         | 4.58%                | 7,817,878         | 30,518              | 7,817,878                  |
| MK                | 313588XM2 | FNMA     | -      | 6,000,000  | -            | 05/30/08         | 09/24/07      | 09/25/07           | 97.01711%         | 4.50%                | 5,821,027         | 22,372              | 5,821,027                  |
| MK                | 313588D85 | FNMA     | -      | 6,000,000  | -            | 08/29/08         | 10/03/07      | 10/04/07           | 96.07666%         | 4.48%                | 5,764,600         | 22,113              | 5,764,600                  |
|                   |           |          |        | 20,000,000 |              |                  |               |                    |                   |                      | 19,403,505        | 75,003              | <b>19,403,505</b>          |

**Federal Agency Notes**

| Broker/<br>Dealer | CUSIP     | Security | Coupon | Par       | Call<br>Date | Maturity<br>Date | Trade<br>Date | Settlement<br>Date | Purchase<br>Value | Yield to<br>Maturity | Purchase<br>Price | Monthly<br>Interest | Market Value<br>on 1/31/08 |
|-------------------|-----------|----------|--------|-----------|--------------|------------------|---------------|--------------------|-------------------|----------------------|-------------------|---------------------|----------------------------|
| RBC               | 3134A4VA9 | FHLMC    | 3.88%  | 6,000,000 | -            | 06/15/08         | 10/03/07      | 10/04/07           | 95.50500%         | 4.60%                | 6,010,696         | 23,331              | 6,022,500                  |
|                   |           |          |        | 6,000,000 |              |                  |               |                    |                   |                      | 6,010,696         | 23,331              | <b>6,022,500</b>           |

**Total Market Value as of 1/31/08:** 90,272,643



**Weighted Average Yield to Maturity:** 4.10%

**Performance Benchmark 3-Mth U.S. Treasury Bill:** 2.00%

**Weighted Average Days to Maturity:** 36 days

**City of Rockville**  
**End of Month Cash Account Balances**  
**January 31, 2008**

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|   | Ending Balance<br>1/31/08 | Ending Balance<br>12/31/07 | Monthly<br>Change |
|---|---------------------------|----------------------------|-------------------|
| City of Rockville Concentration Account           | 120,663                   | 170,354                    | (49,691)          |
| City of Rockville Payroll Account (Sweep Account) | -                         | -                          | -                 |
| City of Rockville Parking Account                 | 74,994                    | 51,666                     | 23,328            |
| City of Rockville Swim Center Account             | 45,213                    | 29,359                     | 15,854            |
| City of Rockville Senior Center Account           | 50,381                    | 31,487                     | 18,895            |
| City of Rockville Skate Park Account              | 2,976                     | 2,986                      | (10)              |
| <b>TOTAL:</b>                                     | <b>294,227</b>            | <b>285,851</b>             | <b>8,376</b>      |